

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HOUSE BILL 2475

AN ACT

AMENDING SECTIONS 15-341, 15-481, 15-491, 15-843 AND 15-1021, ARIZONA REVISED
STATUTES; RELATING TO SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-341, Arizona Revised Statutes, is amended to
3 read:

4 15-341. General powers and duties; immunity; delegation

5 A. The governing board shall:

6 1. Prescribe and enforce policies and procedures for the governance of
7 the schools, not inconsistent with law or rules prescribed by the state board
8 of education.

9 2. Maintain the schools established by it for the attendance of each
10 pupil for a period of not less than one hundred seventy-five school days or
11 two hundred school days, as applicable, or its equivalent as approved by the
12 superintendent of public instruction for a school district operating on a
13 year-round operation basis, to offer an educational program on the basis of a
14 four day school week or to offer an alternative kindergarten program on the
15 basis of a three day school week, in each school year, and if the funds of
16 the district are sufficient, for a longer period, and as far as practicable
17 with equal rights and privileges.

18 3. Exclude from schools all books, publications, papers or audiovisual
19 materials of a sectarian, partisan or denominational character.

20 4. Manage and control the school property within its district.

21 5. Acquire school furniture, apparatus, equipment, library books and
22 supplies for the use of the schools, INCLUDING PURCHASING COMPUTER HARDWARE
23 PURSUANT TO SECTIONS 15-491 AND 15-1021.

24 6. Prescribe the curricula and criteria for the promotion and
25 graduation of pupils as provided in sections 15-701 and 15-701.01.

26 7. Furnish, repair and insure, at full insurable value, the school
27 property of the district.

28 8. Construct school buildings on approval by a vote of the district
29 electors.

30 9. Make in the name of the district conveyances of property belonging
31 to the district and sold by the board.

32 10. Purchase school sites when authorized by a vote of the district at
33 an election conducted as nearly as practicable in the same manner as the
34 election provided in section 15-481 and held on a date prescribed in section
35 15-491, subsection E, but such authorization shall not necessarily specify
36 the site to be purchased and such authorization shall not be necessary to
37 exchange unimproved property as provided in section 15-342, paragraph 23.

38 11. Construct, improve and furnish buildings used for school purposes
39 when such buildings or premises are leased from the national park service.

40 12. Purchase school sites or construct, improve and furnish school
41 buildings from the proceeds of the sale of school property only on approval
42 by a vote of the district electors.

43 13. Hold pupils to strict account for disorderly conduct on school
44 property.

1 14. Discipline students for disorderly conduct on the way to and from
2 school.

3 15. Except as provided in section 15-1224, deposit all monies received
4 by the district as gifts, grants and devises with the county treasurer who
5 shall credit the deposits as designated in the uniform system of financial
6 records. If not inconsistent with the terms of the gifts, grants and devises
7 given, any balance remaining after expenditures for the intended purpose of
8 the monies have been made shall be used for reduction of school district
9 taxes for the budget year, except that in the case of accommodation schools
10 the county treasurer shall carry the balance forward for use by the county
11 school superintendent for accommodation schools for the budget year.

12 16. Provide that, if a parent or legal guardian chooses not to accept a
13 decision of the teacher as provided in section 15-521, paragraph 3, the
14 parent or legal guardian may request in writing that the governing board
15 review the teacher's decision. Nothing in this paragraph shall be construed
16 to release school districts from any liability relating to a child's
17 promotion or retention.

18 17. Provide for adequate supervision over pupils in instructional and
19 noninstructional activities by certificated or noncertificated personnel.

20 18. Use school monies received from the state and county school
21 apportionment exclusively for payment of salaries of teachers and other
22 employees and contingent expenses of the district.

23 19. Make an annual report to the county school superintendent on or
24 before October 1 each year in the manner and form and on the blanks
25 prescribed by the superintendent of public instruction or county school
26 superintendent. The board shall also make reports directly to the county
27 school superintendent or the superintendent of public instruction whenever
28 required.

29 20. Deposit all monies received by school districts other than student
30 activities monies or monies from auxiliary operations as provided in sections
31 15-1125 and 15-1126 with the county treasurer to the credit of the school
32 district except as provided in paragraph 21 of this subsection and sections
33 15-1223 and 15-1224, and the board shall expend the monies as provided by law
34 for other school funds.

35 21. Establish a bank account in which the board during a month may
36 deposit miscellaneous monies received directly by the district. The board
37 shall remit monies deposited in the bank account at least monthly to the
38 county treasurer for deposit as provided in paragraph 20 of this subsection
39 and in accordance with the uniform system of financial records.

40 22. Employ an attorney admitted to practice in this state whose
41 principal practice is in the area of commercial real estate, or a real estate
42 broker who is licensed by this state and who is employed by a reputable
43 commercial real estate company, to negotiate a lease of five or more years
44 for the school district if the governing board decides to enter into a lease
45 of five or more years as lessor of school buildings or grounds as provided in

1 section 15-342, paragraph 7 or 10. Any lease of five or more years
2 negotiated pursuant to this paragraph shall provide that the lessee is
3 responsible for payment of property taxes pursuant to the requirements of
4 section 42-11104.

5 23. Prescribe and enforce policies and procedures for disciplinary
6 action against a teacher who engages in conduct that is a violation of the
7 policies of the governing board but that is not cause for dismissal of the
8 teacher or for revocation of the certificate of the teacher. Disciplinary
9 action may include suspension without pay for a period of time not to exceed
10 ten school days. Disciplinary action shall not include suspension with pay
11 or suspension without pay for a period of time longer than ten school days.
12 The procedures shall include notice, hearing and appeal provisions for
13 violations that are cause for disciplinary action. The governing board may
14 designate a person or persons to act on behalf of the board on these matters.

15 24. Prescribe and enforce policies and procedures for disciplinary
16 action against an administrator who engages in conduct that is a violation of
17 the policies of the governing board regarding duties of administrators but
18 that is not cause for dismissal of the administrator or for revocation of the
19 certificate of the administrator. Disciplinary action may include suspension
20 without pay for a period of time not to exceed ten school days. Disciplinary
21 action shall not include suspension with pay or suspension without pay for a
22 period of time longer than ten school days. The procedures shall include
23 notice, hearing and appeal provisions for violations that are cause for
24 disciplinary action. The governing board may designate a person or persons
25 to act on behalf of the board on these matters. For violations that are
26 cause for dismissal, the provisions of notice, hearing and appeal in chapter
27 5, article 3 of this title shall apply. The filing of a timely request for a
28 hearing suspends the imposition of a suspension without pay or a dismissal
29 pending completion of the hearing.

30 25. Notwithstanding section 13-3108, prescribe and enforce policies and
31 procedures that prohibit a person from carrying or possessing a weapon on
32 school grounds unless the person is a peace officer or has obtained specific
33 authorization from the school administrator.

34 26. Prescribe and enforce policies and procedures relating to the
35 health and safety of all pupils participating in district sponsored practice
36 sessions, games or other interscholastic athletic activities, including the
37 provision of water.

38 27. Prescribe and enforce policies and procedures regarding the smoking
39 of tobacco within school buildings. The policies and procedures shall be
40 adopted in consultation with school district personnel and members of the
41 community and shall state whether smoking is prohibited in school buildings.
42 If smoking in school buildings is not prohibited, the policies and procedures
43 shall clearly state the conditions and circumstances under which smoking is
44 permitted, those areas in a school building that may be designated as smoking

1 areas and those areas in a school building that may not be designated as
2 smoking areas.

3 28. Establish an assessment, data gathering and reporting system as
4 prescribed in chapter 7, article 3 of this title.

5 29. Provide special education programs and related services pursuant to
6 section 15-764, subsection A to all children with disabilities as defined in
7 section 15-761.

8 30. Administer competency tests prescribed by the state board of
9 education for the graduation of pupils from high school.

10 31. Secure insurance coverage for all construction projects for
11 purposes of general liability, property damage and workers' compensation and
12 secure performance and payment bonds for all construction projects.

13 32. Keep on file the resumes of all current and former employees who
14 provide instruction to pupils at a school. Resumes shall include an
15 individual's educational and teaching background and experience in a
16 particular academic content subject area. A school district shall inform
17 parents and guardians of the availability of the resume information and shall
18 make the resume information available for inspection on request of parents
19 and guardians of pupils enrolled at a school. Nothing in this paragraph
20 shall be construed to require any school to release personally identifiable
21 information in relation to any teacher or employee, including the teacher's
22 or employee's address, salary, social security number or telephone number.

23 33. Report to local law enforcement agencies any suspected crime
24 against a person or property that is a serious offense as defined in section
25 13-604 or that involves a deadly weapon or dangerous instrument or serious
26 physical injury and any conduct that poses a threat of death or serious
27 physical injury to employees, students or anyone on the property of the
28 school. This paragraph does not limit or preclude the reporting by a school
29 district or an employee of a school district of suspected crimes other than
30 those required to be reported by this paragraph. For the purposes of this
31 paragraph, "dangerous instrument", "deadly weapon" and "serious physical
32 injury" have the same meaning MEANINGS prescribed in section 13-105.

33 34. In conjunction with local law enforcement agencies and local
34 medical facilities, develop an emergency response plan for each school in the
35 school district in accordance with minimum standards developed jointly by the
36 department of education and the division of emergency management within the
37 department of emergency and military affairs.

38 35. Annually assign at least one school district employee to
39 participate in a multihazard crisis training program developed or selected by
40 the governing board.

41 36. Provide written notice to the parents or guardians of all students
42 affected in the school district at least thirty days prior to a public
43 meeting to discuss closing a school within the school district. The notice
44 shall include the reasons for the proposed closure and the time and place of
45 the meeting. The governing board shall fix a time for a public meeting on

1 the proposed closure no less than thirty days before voting in a public
2 meeting to close the school. The school district governing board shall give
3 notice of the time and place of the meeting. At the time and place
4 designated in the notice, the school district governing board shall hear
5 reasons for or against closing the school. The school district governing
6 board is exempt from this paragraph if it is determined by the governing
7 board that the school shall be closed because it poses a danger to the health
8 or safety of the pupils or employees of the school.

9 37. Incorporate instruction on Native American history into appropriate
10 existing curricula.

11 38. Prescribe and enforce policies and procedures allowing pupils who
12 have been diagnosed with anaphylaxis by a health care provider licensed
13 pursuant to title 32, chapter 13, 14, 17 or 25 or by a registered nurse
14 practitioner licensed and certified pursuant to title 32, chapter 15 to carry
15 and self-administer emergency medications including auto-injectable
16 epinephrine while at school and at school sponsored activities. The pupil's
17 name on the prescription label on the medication container or on the
18 medication device and annual written documentation from the pupil's parent or
19 guardian to the school that authorizes possession and self-administration is
20 sufficient proof that the pupil is entitled to the possession and
21 self-administration of the medication. The policies shall require a pupil
22 who uses auto-injectable epinephrine while at school and at school sponsored
23 activities to notify the nurse or the designated school staff person of the
24 use of the medication as soon as practicable. A school district and its
25 employees are immune from civil liability with respect to all decisions made
26 and actions taken that are based on good faith implementation of the
27 requirements of this paragraph, except in cases of wanton or wilful neglect.

28 39. Allow the possession and self-administration of prescription
29 medication for breathing disorders in handheld inhaler devices, by pupils
30 who have been prescribed that medication by a health care professional
31 licensed pursuant to title 32. The pupil's name on the prescription label on
32 the medication container or on the handheld inhaler device and annual written
33 documentation from the pupil's parent or guardian to the school that
34 authorizes possession and self-administration shall be sufficient proof that
35 the pupil is entitled to the possession and self-administration of the
36 medication. A school district and its employees are immune from civil
37 liability with respect to all decisions made and actions taken that are based
38 on a good faith implementation of the requirements of this paragraph.

39 40. Prescribe and enforce policies and procedures to prohibit pupils
40 from harassing, intimidating and bullying other pupils on school grounds, on
41 school property, on school buses, at school bus stops and at school sponsored
42 events and activities that include the following components:

43 (a) A procedure for pupils to confidentially report to school
44 officials incidents of harassment, intimidation or bullying.

1 (b) A procedure for parents and guardians of pupils to submit written
2 reports to school officials of suspected incidents of harassment,
3 intimidation or bullying.

4 (c) A requirement that school district employees report suspected
5 incidents of harassment, intimidation or bullying to the appropriate school
6 official.

7 (d) A formal process for the documentation of reported incidents of
8 harassment, intimidation or bullying, ~~except that no documentation shall be~~
9 ~~maintained unless the harassment, intimidation or bullying has been proven~~
10 AND FOR THE CONFIDENTIALITY, MAINTENANCE AND DISPOSITION OF THE DOCUMENTATION
11 PRESCRIBED IN THIS SUBDIVISION. IF A SCHOOL DISTRICT MAINTAINS DOCUMENTATION
12 OF REPORTED INCIDENTS OF HARASSMENT, INTIMIDATION OR BULLYING, THE SCHOOL
13 DISTRICT SHALL NOT USE THE DOCUMENTATION TO IMPOSE DISCIPLINARY ACTION UNLESS
14 THE APPROPRIATE SCHOOL HAS INVESTIGATED AND DETERMINED THAT THE REPORTED
15 INCIDENTS OF HARASSMENT, INTIMIDATION OR BULLYING OCCURRED.

16 (e) A formal process for the investigation by the appropriate school
17 officials of suspected incidents of harassment, intimidation or bullying.

18 (f) Disciplinary procedures for pupils who have admitted or been found
19 to have committed incidents of harassment, intimidation or bullying.

20 (g) A procedure that sets forth consequences for submitting false
21 reports of incidents of harassment, intimidation or bullying.

22 41. Prescribe and enforce policies and procedures regarding changing or
23 adopting attendance boundaries that include the following components:

24 (a) A procedure for holding public meetings to discuss attendance
25 boundary changes or adoptions that allows public comments.

26 (b) A procedure to notify the parents or guardians of the students
27 affected.

28 (c) A procedure to notify the residents of the households affected by
29 the attendance boundary changes.

30 (d) A process for placing public meeting notices and proposed maps on
31 the school district's website for public review, if the school district
32 maintains a website.

33 (e) A formal process for presenting the attendance boundaries of the
34 affected area in public meetings that allows public comments.

35 (f) A formal process for notifying the residents and parents or
36 guardians of the affected area as to the decision of the governing board on
37 the school district's website, if the school district maintains a website.

38 (g) A formal process for updating attendance boundaries on the school
39 district's website within ninety days of an adopted boundary change. The
40 school district shall send a direct link to the school district's attendance
41 boundaries website to the department of real estate.

42 (h) If the land that a school was built on was donated within the past
43 five years, a formal process to notify the entity ~~who~~ THAT donated the land
44 affected by the decision of the governing board.

1 B. Notwithstanding subsection A, paragraphs 8, 10 and 12 of this
2 section, the county school superintendent may construct, improve and furnish
3 school buildings or purchase or sell school sites in the conduct of an
4 accommodation school.

5 C. If any school district acquires real or personal property, whether
6 by purchase, exchange, condemnation, gift or otherwise, the governing board
7 shall pay to the county treasurer any taxes on the property that were unpaid
8 as of the date of acquisition, including penalties and interest. The lien
9 for unpaid delinquent taxes, penalties and interest on property acquired by a
10 school district:

11 1. Is not abated, extinguished, discharged or merged in the title to
12 the property.

13 2. Is enforceable in the same manner as other delinquent tax liens.

14 D. The governing board may not locate a school on property that is
15 less than one-fourth mile from agricultural land regulated pursuant to
16 section 3-365, except that the owner of the agricultural land may agree to
17 comply with the buffer zone requirements of section 3-365. If the owner
18 agrees in writing to comply with the buffer zone requirements and records the
19 agreement in the office of the county recorder as a restrictive covenant
20 running with the title to the land, the school district may locate a school
21 within the affected buffer zone. The agreement may include any stipulations
22 regarding the school, including conditions for future expansion of the school
23 and changes in the operational status of the school that will result in a
24 breach of the agreement.

25 E. A school district, its governing board members, its school council
26 members and its employees are immune from civil liability for the
27 consequences of adoption and implementation of policies and procedures
28 pursuant to subsection A of this section and section 15-342. This waiver
29 does not apply if the school district, its governing board members, its
30 school council members or its employees are guilty of gross negligence or
31 intentional misconduct.

32 F. A governing board may delegate in writing to a superintendent,
33 principal or head teacher the authority to prescribe procedures that are
34 consistent with the governing board's policies.

35 G. Notwithstanding any other provision of this title, a school
36 district governing board shall not take any action that would result in an
37 immediate reduction or a reduction within three years of pupil square footage
38 that would cause the school district to fall below the minimum adequate gross
39 square footage requirements prescribed in section 15-2011, subsection C,
40 unless the governing board notifies the school facilities board established
41 by section 15-2001 of the proposed action and receives written approval from
42 the school facilities board to take the action. A reduction includes an
43 increase in administrative space that results in a reduction of pupil square
44 footage or sale of school sites or buildings, or both. A reduction includes
45 a reconfiguration of grades that results in a reduction of pupil square

1 footage of any grade level. This subsection does not apply to temporary
2 reconfiguration of grades to accommodate new school construction if the
3 temporary reconfiguration does not exceed one year. The sale of equipment
4 that results in an immediate reduction or a reduction within three years that
5 falls below the equipment requirements prescribed in section 15-2011,
6 subsection B is subject to commensurate withholding of school district
7 capital outlay revenue limit monies pursuant to the direction of the school
8 facilities board. Except as provided in section 15-342, paragraph 10,
9 proceeds from the sale of school sites, buildings or other equipment shall be
10 deposited in the school plant fund as provided in section 15-1102.

11 H. Subsections C through G of this section apply to a county board of
12 supervisors and a county school superintendent when operating and
13 administering an accommodation school.

14 I. Until the state board of education and the auditor general adopt
15 rules pursuant to section 15-213, subsection I, a school district may procure
16 construction services, including services for new school construction
17 pursuant to section 15-2041, by the construction-manager-at-risk,
18 design-build and job-order-contracting methods of project delivery as
19 provided in title 41, chapter 23, except that the rules adopted by the
20 director of the department of administration do not apply to procurements
21 pursuant to this subsection. Any procurement commenced pursuant to this
22 subsection may be completed pursuant to this subsection.

23 Sec. 2. Section 15-481, Arizona Revised Statutes, is amended to read:

24 15-481. Override election; budget increases; notice; ballot;
25 effect

26 A. If a proposed budget of a school district exceeds the aggregate
27 budget limit for the budget year, at least ninety days before the proposed
28 election the governing board shall order an override election to be held on
29 the first Tuesday following the first Monday in November as prescribed by
30 section 16-204, subsection B, paragraph 1, subdivision (d) for the purpose of
31 presenting the proposed budget to the qualified electors of the school
32 district who shall by a majority of those voting either affirm or reject the
33 budget. In addition, the governing board shall prepare an alternate budget
34 which does not include an increase in the budget of more than the amount
35 permitted as provided in section 15-905. If the qualified electors approve
36 the proposed budget, the governing board of the school district shall follow
37 the procedures prescribed in section 15-905 for adopting a budget that
38 includes the authorized increase. If the qualified electors disapprove the
39 proposed budget, the governing board shall follow the procedures prescribed
40 in section 15-905 for adopting a budget that does not include the proposed
41 increase or the portion of the proposed increase that exceeds the amount
42 authorized by a previously approved budget increase as prescribed in
43 subsection P of this section.

1 B. The county school superintendent shall prepare an informational
2 report on the proposed increase in the budget and a sample ballot and, at
3 least forty days prior to the election, shall transmit the report and the
4 sample ballot to the governing board of the school district. The governing
5 board, upon receipt of the report and the ballot, shall mail or distribute
6 the report and the ballot to the households in which qualified electors
7 reside within the school district at least thirty-five days prior to the
8 election. Any distribution of material concerning the proposed increase in
9 the budget shall not be conducted by children enrolled in the school
10 district. The report shall contain the following information:

11 1. The date of the election.

12 2. The voter's polling place and the times it is open.

13 3. The proposed total increase in the budget which exceeds the amount
14 permitted pursuant to section 15-905.

15 4. The total amount of the current year's budget, the total amount of
16 the proposed budget and the total amount of the alternate budget.

17 5. If the override is for a period of more than one year, a statement
18 indicating the number of years the proposed increase in the budget would be
19 in effect and the percentage of the school district's revenue control limit
20 that the district is requesting for the future years.

21 6. The proposed total amount of revenues which will fund the increase
22 in the budget and the amount which will be obtained from a levy of taxes upon
23 the taxable property within the school district for the first year for which
24 the budget increase was adopted.

25 7. The proposed amount of revenues which will fund the increase in the
26 budget and which will be obtained from other than a levy of taxes upon the
27 taxable property within the school district for the first year for which the
28 budget increase was adopted.

29 8. The dollar amount and the purpose for which the proposed increase
30 in the budget is to be expended for the first year for which the budget
31 increase was adopted.

32 9. At least two arguments, if submitted, but no more than ten
33 arguments for and two arguments, if submitted, but no more than ten arguments
34 against the proposed increase in the budget. The arguments shall be in a
35 form prescribed by the county school superintendent and each argument shall
36 not exceed two hundred words. Arguments for the proposed increase in the
37 budget shall be provided in writing and signed by the governing board. If
38 submitted, additional arguments in favor of the proposed increase in the
39 budget shall be provided in writing and signed by those in favor. Arguments
40 against the proposed increase in the budget shall be provided in writing and
41 signed by those in opposition. The names of those persons other than the
42 governing board or superintendent submitting written arguments shall not be
43 included in the report without their specific permission, but shall be made
44 available only upon request to the county school superintendent. The county
45 school superintendent shall review all factual statements contained in the

1 written arguments and correct any inaccurate statements of fact. The
2 superintendent shall not review and correct any portion of the written
3 arguments which are identified as statements of the author's opinion. The
4 county school superintendent shall make the written arguments available to
5 the public as provided in title 39, chapter 1, article 2. A deadline for
6 submitting arguments to be included in the informational report shall be set
7 by the county school superintendent.

8 10. A statement that the alternate budget shall be adopted by the
9 governing board if the proposed budget is not adopted by the qualified
10 electors of the school district.

11 11. The full cash value, the assessed valuation, the first year tax
12 rate for the proposed override and the estimated amount of the secondary
13 property taxes if the proposed budget is adopted for each of the following:

14 (a) An owner-occupied residence whose assessed valuation is the
15 average assessed valuation of property classified as class three, as
16 prescribed by section 42-12003 for the current year in the school district.

17 (b) An owner-occupied residence whose assessed valuation is one-half
18 of the assessed valuation of the residence in subdivision (a) of this
19 paragraph.

20 (c) An owner-occupied residence whose assessed valuation is twice the
21 assessed valuation of the residence in subdivision (a) of this paragraph.

22 (d) A business whose assessed valuation is the average of the assessed
23 valuation of property classified as class one, as prescribed by section
24 42-12001, paragraphs 12 and 13 for the current year in the school district.

25 12. If the election is conducted pursuant to subsection L or M of this
26 section, the following information:

27 (a) An executive summary of the school district's most recent capital
28 improvement plan submitted to the school facilities board.

29 (b) A complete list of each proposed capital improvement that will be
30 funded with the budget increase and a description of the proposed cost of
31 each improvement, including a separate aggregation of capital improvements
32 for administrative purposes as defined by the school facilities board.

33 (c) The tax rate associated with each of the proposed capital
34 improvements and the estimated cost of each capital improvement for the owner
35 of a single family home that is valued at eighty thousand dollars.

36 C. For the purpose of this section, the school district may use its
37 staff, equipment, materials, buildings or other resources only to distribute
38 the informational report at the school district office or at public hearings
39 and to produce such information as required in subsection B of this section,
40 provided that nothing in this subsection shall preclude school districts from
41 holding or participating in any public hearings at which testimony is given
42 by at least one person for the proposed increase and one person against the
43 proposed increase. Any written information provided by the district
44 pertaining to the override election shall include financial information

1 showing the estimated first year tax rate for the proposed budget override
2 amount.

3 D. If any amount of the proposed increase will be funded by a levy of
4 taxes in the district, the election prescribed in subsection A of this
5 section shall be held on the first Tuesday following the first Monday in
6 November as prescribed by section 16-204, subsection B, paragraph 1,
7 subdivision (d). If the proposed increase will be fully funded by revenues
8 from other than a levy of taxes the elections prescribed in subsection A of
9 this section shall be held on any date prescribed by section 16-204. The
10 elections shall be conducted as nearly as practicable in the manner
11 prescribed in article 1 of this chapter, sections 15-422 through 15-424 and
12 section 15-426, relating to special elections, except that:

13 1. The notices required pursuant to section 15-403 shall be posted not
14 less than twenty-five days before the election.

15 2. Ballots shall be counted pursuant to title 16, chapter 4,
16 article 10.

17 E. If the election is to exceed the revenue control limit and if the
18 proposed increase will be fully funded by a levy of taxes upon the taxable
19 property within the school district, the ballot shall contain the words
20 "budget increase, yes" and "budget increase, no", and the voter shall signify
21 his desired choice. The ballot shall also contain the amount of the proposed
22 increase of the proposed budget over the alternate budget, a statement that
23 the amount of the proposed increase will be based on a percentage of the
24 school district's revenue control limit in future years, if applicable, as
25 provided in subsection P of this section and the following statement:

26 Any budget increase authorized by this election shall be
27 entirely funded by a levy of taxes upon the taxable property
28 within this school district for the year for which adopted and
29 for ____ subsequent years, shall not be realized from monies
30 furnished by the state and shall not be subject to the
31 limitation on taxes specified in article IX, section 18,
32 Constitution of Arizona. Based on an estimate of assessed
33 valuation used for secondary property tax purposes, to fund the
34 proposed increase in the school district's budget would require
35 an estimated tax rate of _____ dollar per one hundred
36 dollars of assessed valuation used for secondary property tax
37 purposes and is in addition to the school district's tax rate
38 which will be levied to fund the school district's revenue
39 control limit allowed by law.

40 F. If the election is to exceed the revenue control limit and if the
41 proposed increase will be fully funded by revenues from other than a levy of
42 taxes upon the taxable property within the school district, the ballot shall
43 contain the words "budget increase, yes" and "budget increase, no", and the
44 voter shall signify the voter's desired choice. The ballot shall also
45 contain:

1 1. The amount of the proposed increase of the proposed budget over the
2 alternate budget.

3 2. A statement that the amount of the proposed increase will be based
4 on a percentage of the school district's revenue control limit in future
5 years, if applicable, as provided in subsection P of this section.

6 3. The following statement:

7 Any budget increase authorized by this election shall be
8 entirely funded by this school district with revenues from other
9 than a levy of taxes on the taxable property within the school
10 district for the year for which adopted and for _____
11 subsequent years and shall not be realized from monies furnished
12 by the state.

13 G. Except as provided in subsection H of this section, the maximum
14 budget increase which may be requested and authorized as provided in
15 subsection E or F of this section or the combination of subsections E and F
16 of this section is ten per cent of the revenue control limit as provided in
17 section 15-947, subsection A for the budget year.

18 H. Special budget override provisions for school districts with a
19 student count of less than one hundred fifty-four in kindergarten programs
20 and grades one through eight or with a student count of less than one hundred
21 seventy-six in grades nine through twelve are as follows:

22 1. The maximum budget increase that may be requested and authorized as
23 provided in subsections E and F of this section is the greater of the amount
24 prescribed in subsection G of this section or a limit computed as follows:

25 (a) For common or unified districts with a student count of less than
26 one hundred fifty-four in kindergarten programs and grades one through eight,
27 the limit computed as prescribed in item (i) or (ii) of this subdivision,
28 whichever is appropriate:

29 (i)

30	Small School	Support Level Weight	Phase Down
31	Student	for Small Isolated	Reduction
32	<u>Count</u>	<u>School Districts</u>	<u>Factor</u>
33	_____ - <u>125</u> x	1.358 + (0.0005 x	x \$ _____ = \$ _____
34		(500 - Student Count))	
35			Small Isolated
36	Phase Down	Phase Down	School District
37	<u>Base</u>	<u>Reduction Factor</u>	<u>Elementary Limit</u>
38	\$150,000 - \$ _____		= \$ _____

39 (ii)

40	Small School	Support Level Weight	Phase Down
41	Student	for Small	Reduction
42	<u>Count</u>	<u>School Districts</u>	<u>Factor</u>
43	_____ - <u>125</u> x	1.278 + (0.0003 x	x \$ _____ = \$ _____
44		(500 - Student Count))	

1				Small
2	Phase Down		Phase Down	School District
3	<u>Base</u>		<u>Reduction Factor</u>	<u>Elementary Limit</u>
4	\$150,000	-	\$ <u> </u>	= \$ <u> </u>

(b) For unified or union high school districts with a student count of less than one hundred seventy-six in grades nine through twelve, the limit computed as prescribed in item (i) or (ii) of this subdivision, whichever is appropriate:

9	(i)				
10		Small School	Support Level Weight		Phase Down
11	Student	Student	for Small Isolated		Reduction
12	<u>Count</u>	<u>Count Limit</u>	<u>School Districts</u>	<u>Base Level</u>	<u>Factor</u>
13	<u> </u>	- <u>100</u>	x 1.468 + (0.0005 x	x \$ <u> </u>	= \$ <u> </u>
14			(500 - Student Count))		

15					Small Isolated
16	Phase Down		Phase Down		District
17	<u>Base</u>		<u>Reduction Factor</u>		<u>Secondary Limit</u>
18	\$350,000	-	\$	=	\$

19	(ii)				
20		Small School	Support Level Weight		Phase Down
21	Student	Student	for Small		Reduction
22	<u>Count</u>	<u>Count Limit</u>	<u>School Districts</u>	<u>Base Level</u>	<u>Factor</u>
23		- 100	x 1.398 + (0.0004 x	x \$	= \$
24			(500 - Student Count))		

25					Small
26	Phase Down		Phase Down		School District
27	<u>Base</u>		<u>Reduction Factor</u>		<u>Secondary Limit</u>
28	\$350,000	-	\$ _____	=	\$ _____

(c) If both subdivisions (a) and (b) of this paragraph apply to a unified school district, its limit for the purposes of this paragraph is the combination of its elementary limit and its secondary limit.

(d) If only subdivision (a) or (b) of this paragraph applies to a unified school district, the district's limit for the purposes of this paragraph is the sum of the limit computed as provided in subdivision (a) or (b) of this paragraph plus ten per cent of the revenue control limit attributable to those grade levels that do not meet the eligibility requirements of this subsection. If a school district budgets monies outside the revenue control limit pursuant to section 15-949, subsection E, the district's limit for the purposes of this paragraph is only the ten per cent of the revenue control limit attributable to those grade levels that are not included under section 15-949, subsection E. For the purposes of this subdivision, the revenue control limit is separated into elementary and secondary components based on the weighted student count as provided in section 15-971, subsection B, paragraph 2, subdivision (a).

1 2. If a school district utilizes the provisions of this subsection to
2 request an override of more than one year, the ballot shall include an
3 estimate of the amount of the proposed increase in the future years in place
4 of the statement that the amount of the proposed increase will be based on a
5 percentage of the school district's revenue control limit in future years, as
6 prescribed in subsections E and F of this section.

7 3. Notwithstanding subsection P of this section, the maximum period of
8 an override authorized pursuant to this subsection is five years.

9 4. Subsection P, paragraphs 1 and 2 of this section do not apply to
10 overrides authorized pursuant to this subsection.

11 I. If the election is to exceed the revenue control limit as provided
12 in section 15-482 and if the proposed increase will be fully funded by a levy
13 of taxes on the taxable property within the school district, the ballot shall
14 contain the words "budget increase, yes" and "budget increase, no", and the
15 voter shall signify the voter's desired choice. The ballot shall also
16 contain the amount of the proposed increase of the budget over the alternate
17 budget, a statement that the amount of the proposed increase will be based on
18 a percentage of the school district's revenue control limit in future years,
19 if applicable, as provided in subsection Q of this section, and the following
20 statement:

21 Any budget increase authorized by this election shall be
22 entirely funded by a levy of taxes on the taxable property
23 within this school district for the year for which adopted and
24 for _____ subsequent years, shall not be realized from monies
25 furnished by the state and shall not be subject to the
26 limitation on taxes specified in article IX, section 18,
27 Constitution of Arizona. Based on an estimate of assessed
28 valuation used for secondary property tax purposes, to fund the
29 proposed increase in the school district's budget which will be
30 funded by a levy of taxes upon the taxable property within this
31 school district would require an estimated tax rate of
32 _____ dollar per one hundred dollars of assessed valuation
33 used for secondary property tax purposes and is in addition to
34 the school district's tax rate that will be levied to fund the
35 school district's revenue control limit allowed by law.

36 J. If the election is to exceed the revenue control limit as provided
37 in section 15-482 and if the proposed increase will be fully funded by
38 revenues other than a levy of taxes on the taxable property within the school
39 district, the ballot shall contain the words "budget increase, yes" and
40 "budget increase, no", and the voter shall signify the voter's desired
41 choice. The ballot shall also contain the amount of the proposed increase of
42 the proposed budget over the alternate budget, a statement that the amount of
43 the proposed increase will be based on a percentage of the school district's
44 revenue control limit in future years, if applicable, as provided in
45 subsection Q of this section and the following statement:

1 Any budget increase authorized by this election shall be
2 entirely funded by this school district with revenues from other
3 than a levy of taxes on the taxable property within the school
4 district for the year for which adopted and for ____ subsequent
5 years and shall not be realized from monies furnished by the
6 state.

7 K. The maximum budget increase that may be requested and authorized as
8 provided in subsection I or J of this section, or a combination of both of
9 these subsections, is five per cent of the revenue control limit as provided
10 in section 15-947, subsection A for the budget year. For a unified school
11 district, a common school district not within a high school district or a
12 common school district within a high school district that offers instruction
13 in high school subjects as provided in section 15-447, five per cent of the
14 revenue control limit means five per cent of the revenue control limit
15 attributable to the weighted student count in preschool programs for children
16 with disabilities, kindergarten programs and grades one through eight as
17 provided in section 15-971, subsection B.

18 L. If the election is to exceed the capital outlay revenue limit and
19 if the proposed increase will be fully funded by a levy of taxes upon the
20 taxable property within the school district, the ballot shall contain the
21 words "budget increase, yes" and "budget increase, no", and the voter shall
22 signify the voter's desired choice. An election held pursuant to this
23 subsection shall be held on the first Tuesday after the first Monday of
24 November. The ballot shall also contain the amount of the proposed increase
25 of the proposed budget over the alternate budget and the following statement:

26 Any budget increase authorized by this election shall be
27 entirely funded by a levy of taxes upon the taxable property
28 within this school district for the year in which adopted and
29 for ____ subsequent years, shall not be realized from monies
30 furnished by the state and shall not be subject to the
31 limitation on taxes specified in article IX, section 18,
32 Constitution of Arizona. Based on an estimate of assessed
33 valuation used for secondary property tax purposes, to fund the
34 proposed increase in the school district's budget would require
35 an estimated tax rate of _____ dollar per one hundred
36 dollars of assessed valuation used for secondary property tax
37 purposes and is in addition to the school district's tax rate
38 which will be levied to fund the school district's capital
39 outlay revenue limit allowed by law.

40 M. If the election is to exceed the capital outlay revenue limit and
41 if the proposed increase will be fully funded by revenues from other than a
42 levy of taxes upon the taxable property within the school district, the
43 ballot shall contain the words "budget increase, yes" and "budget increase,
44 no", and the voter shall signify the voter's desired choice. An election
45 held pursuant to this subsection shall be held on the first Tuesday after the

1 first Monday of November. The ballot shall also contain the amount of the
2 proposed increase of the proposed budget over the alternate budget and the
3 following statement:

4 Any budget increase authorized by this election shall be
5 entirely funded by this school district with revenues from other
6 than a levy of taxes on the taxable property within the school
7 district for the year in which adopted and for _____ subsequent
8 years and shall not be realized from monies furnished by the
9 state.

10 N. If the election is to exceed a combination of the revenue control
11 limit as provided in subsection E or F of this section, the revenue control
12 limit as provided in subsection I or J of this section or the capital outlay
13 revenue limit as provided in subsection L or M of this section, the ballot
14 shall be prepared so that the voters may vote on each proposed increase
15 separately and shall contain statements required in the same manner as if
16 each proposed increase were submitted separately.

17 O. If the election provides for a levy of taxes on the taxable
18 property within the school district, at least thirty days prior to the
19 election, the department of revenue shall provide the school district
20 governing board and the county school superintendent with an estimate of the
21 school district's assessed valuation used for secondary property tax purposes
22 for the ensuing fiscal year. The governing board and the county school
23 superintendent shall use this estimate to translate the amount of the
24 proposed dollar increase in the budget of the school district over that
25 allowed by law into a tax rate figure.

26 P. If the voters in a school district vote to adopt a budget in excess
27 of the revenue control limit as provided in subsection E or F of this
28 section, any additional increase shall be included in the aggregate budget
29 limit for each of the years authorized. Any additional increase shall be
30 excluded from the determination of equalization assistance. The school
31 district governing board may, however, levy on the assessed valuation used
32 for secondary property tax purposes of the property in the school district
33 the additional increase if adopted under subsection E of this section for the
34 period of one year, two years or five through seven years as authorized. If
35 an additional increase is approved as provided in subsection F of this
36 section, the school district governing board may only use revenues derived
37 from the school district's prior year's maintenance and operation fund ending
38 cash balance to fund the additional increase. If a budget increase was
39 previously authorized and will be in effect for the budget year or budget
40 year and subsequent years, as provided in subsection E or F of this section,
41 the governing board may request a new budget increase as provided in the same
42 subsection under which the prior budget increase was adopted which shall not
43 exceed the maximum amount permitted under subsection G of this section. If
44 the voters in the school district authorize the new budget increase amount,
45 the existing budget increase no longer is in effect. If the voters in the

1 school district do not authorize the budget increase amount, the existing
2 budget increase remains in effect for the time period for which it was
3 authorized. The maximum additional increase authorized as provided in
4 subsection E or F of this section and the additional increase which is
5 included in the aggregate budget limit is based on a percentage of a school
6 district's revenue control limit in future years, if the budget increase is
7 authorized for more than one year. If the additional increase:

8 1. Is for two years, the proposed increase in the second year is equal
9 to the initial proposed percentage increase.

10 2. Is for five years or more, the proposed increase is equal to the
11 initial proposed percentage increase in the following years of the proposed
12 increase, except that in the next to last year it is two-thirds of the
13 initial proposed percentage increase and it is one-third of the initial
14 proposed percentage increase in the last year of the proposed increase.

15 Q. If the voters in a school district vote to adopt a budget in excess
16 of the revenue control limit as provided in subsection I or J of this
17 section, any additional increase shall be included in the aggregate budget
18 limit for each of the years authorized. Any additional increase shall be
19 excluded from the determination of equalization assistance. The school
20 district governing board, however, may levy on the assessed valuation used
21 for secondary property tax purposes of the property in the school district
22 the additional increase if adopted under subsection I of this section for the
23 period of one year, two years or five through seven years as authorized. If
24 an additional increase is approved as provided in subsection J of this
25 section, the increase may only be budgeted and expended if sufficient monies
26 are available in the maintenance and operation fund of the school district.
27 If a budget increase was previously authorized and will be in effect for the
28 budget year or budget year and subsequent years, as provided in subsection I
29 or J of this section, the governing board may request a new budget increase
30 as provided in the same subsection under which the prior budget increase was
31 adopted that does not exceed the maximum amount permitted under subsection K
32 of this section. If the voters in the school district authorize the new
33 budget increase amount, the existing budget increase no longer is in effect.
34 If the voters in the school district do not authorize the budget increase
35 amount, the existing budget increase remains in effect for the time period
36 for which it was authorized. The maximum additional increase authorized as
37 provided in subsection I or J of this section and the additional increase
38 that is included in the aggregate budget limit is based on a percentage of a
39 school district's revenue control limit in future years, if the budget
40 increase is authorized for more than one year. If the additional increase:

41 1. Is for two years, the proposed increase in the second year is equal
42 to the initial proposed percentage increase.

43 2. Is for five years or more, the proposed increase is equal to the
44 initial proposed percentage increase in the following years of the proposed
45 increase, except that in the next to last year it is two-thirds of the

1 initial proposed percentage increase and it is one-third of the initial
2 proposed percentage increase in the last year of the proposed increase.

3 R. If the voters in a school district vote to adopt a budget in excess
4 of the capital outlay revenue limit as provided in subsection L of this
5 section, any additional increase shall be included in the aggregate budget
6 limit for each of the years authorized. **THE MAXIMUM BUDGET INCREASE THAT MAY**
7 **BE REQUESTED AND AUTHORIZED AS PROVIDED IN SUBSECTION L OF THIS SECTION IS**
8 **ONE HUNDRED PER CENT OF THE CAPITAL OUTLAY REVENUE LIMIT FOR THE BUDGET YEAR**
9 **AS PROVIDED IN SECTION 15-961.** The additional increase shall be excluded
10 from the determination of equalization assistance. The school district
11 governing board may, however, levy on the assessed valuation used for
12 secondary property tax purposes of the property in the school district the
13 additional increase for the period authorized but not to exceed ten years.
14 For overrides approved by a vote of the qualified electors of the school
15 district at an election held from and after October 31, 1998, the period of
16 the additional increase prescribed in this subsection shall not exceed seven
17 years for any capital override election.

18 S. If the voters in a school district vote to adopt a budget in excess
19 of the capital outlay revenue limit as provided in subsection M of this
20 section, any additional increase shall be included in the aggregate budget
21 limit for each of the years authorized. **THE MAXIMUM BUDGET INCREASE THAT MAY**
22 **BE REQUESTED AND AUTHORIZED AS PROVIDED IN SUBSECTION M OF THIS SECTION IS**
23 **ONE HUNDRED PER CENT OF THE CAPITAL OUTLAY REVENUE LIMIT FOR THE BUDGET YEAR**
24 **AS PROVIDED IN SECTION 15-961.** The additional increase shall be excluded
25 from the determination of equalization assistance. The school district
26 governing board may only use revenues derived from the school district's
27 prior year's maintenance and operation fund ending cash balance and capital
28 outlay fund ending cash balance to fund the additional increase for the
29 period authorized but not to exceed ten years. For overrides approved by a
30 vote of the qualified electors of the school district at an election held
31 from and after October 31, 1998, the period of the additional increase
32 prescribed in this subsection shall not exceed seven years for any capital
33 override election.

34 T. In addition to subsections P and S of this section, from the
35 maintenance and operation fund and capital outlay fund ending cash balances,
36 the school district governing board shall first use any available revenues to
37 reduce its primary tax rate to zero and shall use any remaining revenues to
38 fund the additional increase authorized as provided in subsections F and M of
39 this section.

40 U. If the voters in a school district disapprove the proposed budget,
41 the alternate budget which, except for any budget increase authorized by a
42 prior election, does not include an increase in the budget in excess of the
43 amount provided in section 15-905 shall be adopted by the governing board as
44 provided in section 15-905.

1 V. The governing board may request that any override election be
2 cancelled if any change in chapter 9 of this title changes the amount of the
3 aggregate budget limit as provided in section 15-905. The request to cancel
4 the override election shall be made to the county school superintendent at
5 least ten days prior to the date of the scheduled override election.

6 W. For any election conducted pursuant to subsection L or M of this
7 section:

8 1. The ballot shall include the following statement in addition to any
9 other statement required by this section:

10 The capital improvements that are proposed to be funded
11 through this override election are to exceed the state standards
12 and are in addition to monies provided by the state.

13 _____ school district is proposing to increase its
14 budget by \$_____ to fund capital improvements over and
15 above those funded by the state. Under the students first
16 capital funding system, _____ school district is entitled to
17 state monies for building renewal, new construction and
18 renovation of school buildings in accordance with state law.

19 2. The ballot shall contain the words "budget increase, yes" and
20 "budget increase, no", and the voter shall signify the voter's desired
21 choice.

22 3. At least eighty-five days before the election, the school district
23 shall submit proposed ballot language to the director of the Arizona
24 legislative council. The director of the Arizona legislative council shall
25 review the proposed ballot language to determine whether the proposed ballot
26 language complies with this section. If the director of the Arizona
27 legislative council determines that the proposed ballot language does not
28 comply with this section, the director, within ten calendar days of the
29 receipt of the proposed ballot language, shall notify the school district of
30 the director's objections and the school district shall resubmit revised
31 ballot language to the director for approval.

32 X. If the voters approve the budget increase pursuant to subsection L
33 or M of this section, the school district shall not use the override proceeds
34 for any purposes other than the proposed capital improvements listed in the
35 publicity pamphlet, except that up to ten per cent of the override proceeds
36 may be used for general capital expenses, including cost overruns of proposed
37 capital improvements.

38 Y. Each school district that currently increases its budget pursuant
39 to subsection L or M of this section is required to hold a public meeting
40 each year between September 1 and October 31 at which an update of the
41 progress of capital improvements financed through the override is discussed
42 and at which the public is permitted an opportunity to comment. At a
43 minimum, the update shall include a comparison of the current status and the
44 original projections on the construction of capital improvements, the costs
45 of capital improvements and the costs of capital improvements in progress or

1 completed since the prior meeting and the future capital plans of the school
2 district. The school district shall include in the public meeting a
3 discussion of the school district's use of state capital aid and
4 voter-approved bonding in funding capital improvements, if any.

5 Z. If a budget in excess of the capital outlay revenue limit was
6 previously adopted by the voters in a school district and will be in effect
7 for the budget year or budget year and subsequent years, as provided in
8 subsection L or M of this section, the governing board may request an
9 additional budget in excess of the capital outlay revenue limit. If the
10 voters in a school district authorize the additional budget in excess of the
11 capital outlay revenue limit, the existing capital outlay revenue limit
12 budget increase remains in effect.

13 AA. BEFORE ASKING THE VOTERS OF A SCHOOL DISTRICT TO AUTHORIZE THE
14 FUNDING OF CAPITAL IMPROVEMENTS PURSUANT TO THIS SECTION, THE SCHOOL DISTRICT
15 GOVERNING BOARD SHALL DETERMINE WHETHER IT IS MORE COST EFFICIENT TO THE
16 TAXPAYERS TO FUND THOSE CAPITAL IMPROVEMENTS BY SUBMITTING A PROPOSED BUDGET
17 INCREASE TO THE VOTERS PURSUANT TO THIS SECTION OR BY SUBMITTING A PROPOSED
18 CLASS B BOND ISSUANCE TO THE VOTERS PURSUANT TO SECTION 15-1021.

19 BB. IF A SCHOOL DISTRICT PURCHASES COMPUTER HARDWARE WITH FUNDING FROM
20 CAPITAL IMPROVEMENTS AUTHORIZED PURSUANT TO THIS SECTION AND USES THE FUNDING
21 TO IMPLEMENT A CURRICULUM THAT PROVIDES ONE COMPUTER FOR EVERY PUPIL IN EACH
22 CLASSROOM, THE SCHOOL DISTRICT SHALL CONVERT ITS CURRENT CURRICULUM TO AN
23 EQUIVALENT DIGITAL CURRICULUM THAT IS CONSISTENT WITH THE ACADEMIC STANDARDS
24 ADOPTED BY THE STATE BOARD OF EDUCATION. A SCHOOL DISTRICT THAT IS SUBJECT
25 TO THIS SUBSECTION MAY CONTINUE TO USE TEXTBOOKS AND OTHER PRINTED MATERIALS
26 IF AN EQUIVALENT DIGITAL CURRICULUM IS NOT AVAILABLE.

27 Sec. 3. Section 15-491, Arizona Revised Statutes, is amended to read:

28 15-491. Elections on school property: exceptions

29 A. The governing board of a school district may, and upon petition of
30 fifteen per cent of the school electors as shown by the poll list at the last
31 preceding annual school election shall, call an election for the following
32 purposes:

33 1. To locate or change the location of school buildings.

34 2. To purchase or sell school sites or buildings or sell school sites
35 pursuant to section 15-342 or to build school buildings, but the
36 authorization by vote of the school district shall not necessarily specify
37 the site to be purchased.

38 3. To decide whether the bonds of the school district shall be issued
39 and sold for the purpose of raising money for purchasing or leasing school
40 lots, for building or renovating school buildings, for improving school
41 grounds, for purchasing pupil transportation vehicles or for liquidating any
42 indebtedness already incurred for such purposes. Except as provided in
43 section 15-1021, subsection H, the proceeds of class B bonds or impact aid
44 revenue bonds shall not be used for soft capital purposes except for COMPUTER
45 HARDWARE AND pupil transportation vehicles. A school district shall not

1 issue class B bonds until the school district has obligated in contract the
2 entire proceeds of any class A bonds issued by the school district. The total
3 amount of class A and class B bonds issued by a school district shall not
4 exceed the debt limitations prescribed in article IX, sections 8 and 8.1,
5 Constitution of Arizona.

6 4. To lease for five or more years, as lessor or as lessee, school
7 buildings or grounds. Approval by a majority of the school district electors
8 voting authorizes the governing board to negotiate for and enter into a
9 lease. The ballot shall list the school buildings or grounds for which a
10 lease is sought. If the governing board does not enter into a lease of five
11 or more years of the school buildings or grounds listed on the ballot within
12 five years of the date of the election and the board continues to seek such a
13 lease, the governing board shall call a special election to reauthorize the
14 board to negotiate for and to enter into a lease of five or more years.

15 B. No petition shall be required for the holding of the first election
16 to be held in a joint common school district for any of the purposes
17 specified in subsection A of this section. The notice of election required
18 by section 15-492 shall be published in each of the counties ~~which~~ THAT
19 comprise the joint common school district. The certification of election
20 results required by section 15-493 shall be made to the board of supervisors
21 of the jurisdictional county.

22 C. When the election is called to determine whether or not bonds of
23 the school district shall be issued and sold for the purposes enumerated in
24 the call for the election, the question shall be submitted to the vote of the
25 qualified electors of the school district as defined in section 15-401 and
26 subject to ~~the provisions of~~ section 15-402.

27 D. The governing board shall order the election to be held in the
28 manner prescribed in title 35, chapter 3, article 3. If a petition for an
29 election has been filed with the governing board as provided in subsection A
30 of this section, the board shall act upon the petition within sixty days by
31 ordering the election to be held as provided in this subsection. If a school
32 district bond election is scheduled for the same date a school district will
33 hold an override election, the governing body shall deliver a copy of the
34 notice of election and ballot to the county school superintendent who shall
35 include the notice of election and ballot with the information report and
36 ballot prepared for the override election. Mailing of the information
37 required for both the override and bond elections shall constitute compliance
38 with the notice provisions of this section.

39 E. The elections to be held pursuant to this section shall only be
40 held on dates prescribed by section 16-204, except that elections held
41 pursuant to this section to decide whether class B bonds shall be issued, or
42 any other obligation incurred that will require the assessment of secondary
43 property taxes, shall only be held on the first Tuesday after the first
44 Monday of November.

1 F. Subsection A, paragraph 2 of this section does not apply to the
2 sale of school property if the market value of the school property is less
3 than fifty thousand dollars.

4 G. Bond counsel fees, financial advisory fees, printing costs and
5 paying agent and registrar fees for bonds issued pursuant to an election
6 under this section shall be paid from either the amount authorized by the
7 qualified electors of the school district or current operating funds. Bond
8 election expenses shall be paid from current operating funds only.

9 H. For any election conducted to decide whether class B bonds will be
10 issued pursuant to this section:

11 1. Except as provided in paragraph 2 of this subsection, the ballot
12 shall include the following statement:

13 The capital improvements that are proposed to be funded
14 through this bond issuance are to exceed the state standards and
15 are in addition to monies provided by the state.

16 _____ school district is proposing to issue class B
17 general obligation bonds totaling \$_____ to fund capital
18 improvements over and above those funded by the state. Under
19 the students first capital funding system, _____ school
20 district is entitled to state monies for building renewal, new
21 construction and renovation of school buildings in accordance
22 with state law.

23 2. For a school district that is a joint technological education
24 district, the ballot shall include the following statement:

25 _____, a joint technological education district, is
26 proposing to issue class B general obligation bonds totaling
27 \$_____ to fund capital improvements at the main campus of
28 the joint technological education district.

29 3. The ballot shall contain the words "bond approval, yes" and "bond
30 approval, no", and the voter shall signify the voter's desired choice.

31 4. The ballot shall also contain the phrase "the issuance of these
32 bonds will result in an annual levy of property taxes sufficient to pay the
33 debt on the bonds".

34 5. At least eighty-five days before the election, the school district
35 shall submit proposed ballot language to the director of the Arizona
36 legislative council. The director of the Arizona legislative council shall
37 review the proposed ballot language to determine whether the proposed ballot
38 language complies with this section. If the director of the Arizona
39 legislative council determines that the proposed ballot language does not
40 comply with this section, the director, within ten calendar days of the
41 receipt of the proposed ballot language, shall notify the school district of
42 the director's objections and the school district shall resubmit revised
43 ballot language to the director for approval.

1 6. No later than thirty-five days before a class B bond election
2 conducted pursuant to this section, the school district shall mail a
3 publicity pamphlet to each household that contains a qualified elector in the
4 school district. The publicity pamphlet shall contain, at a minimum, the
5 following information:

6 (a) An executive summary of the school district's most recent capital
7 plan submitted to the school facilities board.

8 (b) A complete list of each proposed capital improvement that will be
9 funded with the proceeds of the bonds and a description of the proposed cost
10 of each improvement, including a separate aggregation of capital improvements
11 for administrative purposes as defined by the school facilities board.

12 (c) The tax rate associated with each of the proposed capital
13 improvements and the estimated cost of each capital improvement for the owner
14 of a single family home that is valued at one hundred thousand dollars.

15 I. For any election conducted to decide whether impact aid revenue
16 bonds shall be issued pursuant to this section:

17 1. The ballot shall include the following statement:

18 The capital improvements that are proposed to be funded
19 through this bond issuance are to exceed the state standards and
20 are in addition to monies provided by the state.

21 _____ school district is proposing to issue impact
22 aid revenue bonds totaling \$_____ to fund capital
23 improvements over and above those funded by the state. Under
24 the students first capital funding system, _____ school
25 district is entitled to state monies for building renewal, new
26 construction and renovation of school buildings in accordance
27 with state law.

28 2. The ballot shall contain the words "bond approval, yes" and "bond
29 approval, no", and the voter shall signify the voter's desired choice.

30 3. At least eighty-five days before the election, the school district
31 shall submit proposed ballot language to the director of the legislative
32 council. The director of the legislative council shall review the proposed
33 ballot language to determine whether the proposed ballot language complies
34 with this section. If the director of the legislative council determines
35 that the proposed ballot language does not comply with this section, the
36 director, within ten calendar days of the receipt of the proposed ballot
37 language, shall notify the school district of the director's objections and
38 the school district shall resubmit revised ballot language to the director
39 for approval.

40 4. No later than thirty-five days before an impact aid revenue bond
41 election conducted pursuant to this section, the school district shall mail a
42 publicity pamphlet to each household that contains a qualified elector in the
43 school district. The publicity pamphlet shall contain, at a minimum, the
44 following information:

1 (a) The date of the election.

2 (b) The voter's polling place and the times it is open.

3 (c) An executive summary of the school district's most recent capital
4 plan submitted to the school facilities board.

5 (d) A complete list of each proposed capital improvement that will be
6 funded with the proceeds of the bonds and a description of the proposed cost
7 of each improvement, including a separate aggregation of capital improvements
8 for administrative purposes as defined by the school facilities board.

9 (e) A statement that impact aid revenue bonds will be fully funded by
10 aid that the school district receives from the federal government and do not
11 require a levy of taxes in the district.

12 (f) A statement that if the bonds are approved the first priority for
13 the impact aid will be to pay the debt service for the bonds and that other
14 uses of the monies are prohibited until the debt service obligation is met.

15 (g) A statement that if the impact aid revenue bonds are approved, the
16 school district shall not issue or sell class B bonds while the district has
17 existing indebtedness from impact aid revenue bonds, except for bonds issued
18 to refund any bonds issued by the board.

19 J. If the voters approve the issuance of school district class B bonds
20 or impact aid revenue bonds, the school district shall not use the bond
21 proceeds for any purposes other than the proposed capital improvements listed
22 in the publicity pamphlet, except that up to ten per cent of the bond
23 proceeds may be used for general capital expenses, including cost overruns of
24 proposed capital improvements.

25 K. Each school district that issues bonds under this section is
26 required to hold a public meeting each year between September 1 and October
27 31, until the bond proceeds are spent, at which an update of the progress of
28 capital improvements financed through bonding is discussed and at which the
29 public is permitted an opportunity to comment. At a minimum, the update
30 shall include a comparison of the current status and the original projections
31 on the construction of capital improvements, the costs of capital
32 improvements and the costs of capital improvements in progress or completed
33 since the prior meeting and the future capital bonding plans of the school
34 district. The school district shall include in the public meeting a
35 discussion of the school district's use of state capital aid and
36 voter-approved capital overrides in funding capital improvements, if any.

37 Sec. 4. Section 15-843, Arizona Revised Statutes, is amended to read:
38 15-843. Pupil disciplinary proceedings

39 A. An action concerning discipline, suspension or expulsion of a pupil
40 is not subject to title 38, chapter 3, article 3.1, except that the governing
41 board of a school district shall post regular notice and shall take minutes
42 of any hearing held by the governing board concerning the discipline,
43 suspension or expulsion of a pupil.

1 B. The governing board of any school district, in consultation with
2 the teachers and parents of the school district, shall prescribe rules for
3 the discipline, suspension and expulsion of pupils. The rules shall be
4 consistent with the constitutional rights of pupils and shall include at
5 least the following:

6 1. Penalties for excessive pupil absenteeism pursuant to section
7 15-803, including failure in a subject, failure to pass a grade, suspension
8 or expulsion.

9 2. Procedures for the use of corporal punishment if allowed by the
10 governing board.

11 3. Procedures for the reasonable use of physical force by certificated
12 or classified personnel in self-defense, defense of others and defense of
13 property.

14 4. Procedures for dealing with pupils who have committed or who are
15 believed to have committed a crime.

16 5. A notice and hearing procedure for cases concerning the suspension
17 of a pupil for more than ten days.

18 6. Procedures and conditions for readmission of a pupil who has been
19 expelled or suspended for more than ten days.

20 7. Procedures for appeal to the governing board of the suspension of a
21 pupil for more than ten days, if the decision to suspend the pupil was not
22 made by the governing board.

23 8. Procedures for appeal of the recommendation of the hearing officer
24 or officers designated by the board as provided in subsection F of this
25 section at the time the board considers the recommendation.

26 C. Penalties adopted pursuant to subsection B, paragraph 1 of this
27 section for excessive absenteeism shall not be applied to pupils who have
28 completed the course requirements and whose absence from school is due solely
29 to illness, disease or accident as certified by a person who is licensed
30 pursuant to title 32, chapter 7, 13, 15 or 17.

31 D. The governing board shall:

32 1. Support and assist teachers in the implementation and enforcement
33 of the rules prescribed pursuant to subsection B of this section.

34 2. Develop procedures allowing teachers and principals to recommend
35 the suspension or expulsion of pupils.

36 3. Develop procedures allowing teachers and principals to temporarily
37 remove disruptive pupils from a class.

38 4. Delegate to the principal the authority to remove a disruptive
39 pupil from the classroom.

40 E. If a pupil withdraws from school after receiving notice of possible
41 action concerning discipline, expulsion or suspension, the governing board
42 may continue with the action after the withdrawal and may record the results
43 of such action in the pupil's permanent file.

1 F. In all action concerning the expulsion of a pupil, the governing
2 board of a school district shall:

3 1. Be notified of the intended action.

4 2. EITHER:

5 (a) Decide, in executive session, whether to hold a hearing or to
6 designate one or more hearing officers to hold a hearing to hear the
7 evidence, prepare a record and bring a recommendation to the board for action
8 and whether the hearing shall be held in executive session.

9 (b) ADOPT A POLICY OR DECIDE BY A VOTE AT A MEETING THAT ALL HEARINGS
10 CONCERNING THE EXPULSION OF A PUPIL PURSUANT TO THIS SECTION BE CONDUCTED
11 BEFORE A HEARING OFFICER WHO IS SELECTED FROM A LIST APPROVED BY THE
12 GOVERNING BOARD.

13 3. Give written notice, at least five working days prior to the
14 hearing by the governing board or the hearing officer or officers designated
15 by the governing board, to all pupils subject to expulsion and their parents
16 or guardians of the date, time and place of the hearing. If the governing
17 board decides that the hearing is to be held in executive session, the
18 written notice shall include a statement of the right of the parents or
19 guardians or an emancipated pupil who is subject to expulsion to object to
20 the governing board's decision to have the hearing held in executive
21 session. Objections shall be made in writing to the governing board.

22 G. If a parent or guardian or an emancipated pupil who is subject to
23 expulsion disagrees that the hearing should be held in executive session, it
24 shall be held in an open meeting unless:

25 1. If only one pupil is subject to expulsion and disagreement exists
26 between that pupil's parents or guardians, the governing board, after
27 consultations with the pupil's parents or guardians or the emancipated pupil,
28 shall decide in executive session whether the hearing will be in executive
29 session.

30 2. If more than one pupil is subject to expulsion and disagreement
31 exists between the parents or guardians of different pupils, ~~then~~ separate
32 hearings shall be held subject to ~~the provisions of~~ this section.

33 H. This section does not prevent the pupil who is subject to expulsion
34 or suspension, and the pupil's parents or guardians and legal counsel, from
35 attending any executive session pertaining to the proposed disciplinary
36 action, from having access to the minutes and testimony of the executive
37 session or from recording the session at the parent's or guardian's expense.

38 I. In schools employing a superintendent or a principal, the authority
39 to suspend a pupil from school is vested in the superintendent, principal or
40 other school officials granted this power by the governing board of the
41 school district.

42 J. In schools that do not have a superintendent or principal, a
43 teacher may suspend a pupil from school.

1 K. In all cases of suspension, it shall be for good cause and shall be
2 reported within five days to the governing board by the superintendent or the
3 person imposing the suspension.

4 ~~L. A teacher who fails to comply with this section is guilty of~~
5 ~~unprofessional conduct and the teacher's certificate may be revoked.~~

6 M. L. The principal of each school shall ~~insure~~ ENSURE that a copy of
7 all rules pertaining to discipline, suspension and expulsion of pupils is
8 distributed to the parents of each pupil at the time the pupil is enrolled in
9 school.

10 N. M. The principal of each school shall ensure that all rules
11 pertaining to the discipline, suspension and expulsion of pupils are
12 communicated to students at the beginning of each school year, and to
13 transfer students at the time of their enrollment in the school.

14 Sec. 5. Section 15-1021, Arizona Revised Statutes, is amended to read:

15 15-1021. Limitation on bonded indebtedness; limitation on
16 authorization and issuance of bonds; definition

17 A. Until December 31, 1999, a school district may issue class A bonds
18 for the purposes specified in this section and chapter 4, article 5 of this
19 title to an amount in the aggregate, including the existing indebtedness, not
20 exceeding fifteen per cent of the taxable property used for secondary
21 property tax purposes, as determined pursuant to title 42, chapter 15,
22 article 1, within a school district as ascertained by the last property tax
23 assessment previous to issuing the bonds.

24 B. From and after December 31, 1998, a school district may issue class
25 B bonds for the purposes specified in this section and chapter 4, article 5
26 of this title to an amount in the aggregate, including the existing class B
27 indebtedness, not exceeding five per cent of the taxable property used for
28 secondary property tax purposes, as determined pursuant to title 42, chapter
29 15, article 1, within a school district as ascertained by the last assessment
30 of state and county taxes previous to issuing the bonds, or one thousand five
31 hundred dollars per student count as determined pursuant to section 15-902,
32 whichever amount is greater. A school district shall not issue class B bonds
33 until the proceeds of any class A bonds issued by the school district have
34 been obligated in contract. The total amount of class A and class B bonds
35 issued by a school district shall not exceed the debt limitations prescribed
36 in article IX, section 8, Constitution of Arizona.

37 C. Until December 31, 1999, a unified school district, as defined
38 under article IX, section 8.1, Constitution of Arizona, may issue class A
39 bonds for the purposes specified in this section and chapter 4, article 5 of
40 this title to an amount in the aggregate, including the existing
41 indebtedness, not exceeding thirty per cent of the taxable property used for
42 secondary property tax purposes, as determined pursuant to title 42, chapter
43 15, article 1, within a unified school district as ascertained by the last
44 property tax assessment previous to issuing the bonds.

1 D. From and after December 31, 1998, a unified school district, as
2 defined under article IX, section 8.1, Constitution of Arizona, may issue
3 class B bonds for the purposes specified in this section and chapter 4,
4 article 5 of this title to an amount in the aggregate, including the existing
5 class B indebtedness, not exceeding ten per cent of the taxable property used
6 for secondary tax purposes, as determined pursuant to title 42, chapter 15,
7 article 1, within a school district as ascertained by the last assessment of
8 state and county taxes previous to issuing the bonds, or one thousand five
9 hundred dollars per student count as determined pursuant to section 15-902,
10 whichever amount is greater. A unified school district shall not issue class
11 B bonds until the proceeds of any class A bonds issued by the unified school
12 district have been obligated in contract. The total amount of class A and
13 class B bonds issued by a unified school district shall not exceed the debt
14 limitations prescribed in article IX, section 8.1, Constitution of Arizona.

15 E. No bonds authorized to be issued by an election held after July 1,
16 1980 may be issued more than six years after the date of the election, except
17 that class A bonds shall not be issued after December 31, 1999.

18 F. Class A bond proceeds shall not be expended for items whose useful
19 life is less than the average life of the bonds issued, except that bond
20 proceeds shall not be expended for items whose useful life is less than five
21 years.

22 G. Except as provided in subsection H of this section, class B bond
23 proceeds shall not be expended for soft capital items, ~~computer hardware~~, or
24 other items whose useful life is less than the average useful life of the
25 bonds issued, except that bond proceeds shall not be expended for items whose
26 useful life is less than five years. ~~For the purposes of this subsection,~~
27 ~~"computer hardware" means an electronic device with an integrated circuit~~
28 ~~that performs logic, arithmetic or memory functions by the manipulations of~~
29 ~~electronic or magnetic impulses and includes all input, output, processing,~~
30 ~~storage, software or communication facilities that are connected or related~~
31 ~~to such a device in a system or network.~~

32 H. Class B bond proceeds for a new facility at the main campus of a
33 joint technological education district may be expended for soft capital
34 items, ~~computer hardware~~, furniture or other equipment, except that no bonds
35 may be issued for these purposes for a duration of more than five years. The
36 total amount of bonds that a joint technological education district may issue
37 pursuant to this subsection shall not exceed thirty per cent of the cost of
38 the new school facility, including monies received for the new school
39 facility pursuant to this section.

40 I. Notwithstanding subsections F and G of this section, bond proceeds
41 may be expended for purchasing pupil transportation vehicles AND COMPUTER
42 HARDWARE. THE QUESTION OF WHETHER THE SCHOOL DISTRICT MAY ISSUE BONDS FOR
43 COMPUTER HARDWARE SHALL BE SUBMITTED TO THE QUALIFIED ELECTORS AS A SEPARATE
44 BALLOT MEASURE FROM ANY OTHER BOND MEASURES ON THE SAME BALLOT. CLASS B BOND
45 PROCEEDS SHALL NOT BE EXPENDED FOR COMPUTER HARDWARE WHOSE USEFUL LIFE IS

1 LESS THAN THE DURATION OF THE BONDS ISSUED, EXCEPT THAT NO BONDS MAY BE
2 ISSUED FOR THESE PURPOSES FOR A DURATION OF MORE THAN SEVEN YEARS. IF A
3 SCHOOL DISTRICT PURCHASES COMPUTER HARDWARE WITH CLASS B BOND PROCEEDS:

4 1. THE SCHOOL DISTRICT SHALL PROVIDE PROFESSIONAL DEVELOPMENT TRAINING
5 FOR TEACHERS AND OTHER CLASSROOM PERSONNEL ON THE USE OF DIGITAL INSTRUCTION
6 AND SHALL REQUIRE THE COMPANY FROM WHICH THE COMPUTER HARDWARE IS PURCHASED
7 TO PAY FOR THE PROFESSIONAL DEVELOPMENT TRAINING.

8 2. IF THE SCHOOL DISTRICT USES CLASS B BOND PROCEEDS TO IMPLEMENT A
9 CURRICULUM THAT PROVIDES ONE COMPUTER FOR EVERY PUPIL IN EACH CLASSROOM, THE
10 SCHOOL DISTRICT SHALL CONVERT ITS CURRENT CURRICULUM TO AN EQUIVALENT DIGITAL
11 CURRICULUM THAT IS CONSISTENT WITH THE ACADEMIC STANDARDS ADOPTED BY THE
12 STATE BOARD OF EDUCATION. A SCHOOL DISTRICT THAT IS SUBJECT TO THIS
13 PARAGRAPH MAY CONTINUE TO USE TEXTBOOKS AND OTHER PRINTED MATERIALS IF AN
14 EQUIVALENT DIGITAL CURRICULUM IS NOT AVAILABLE.

15 3. A VALID WARRANTY FOR ALL COMPUTER HARDWARE PURCHASED WITH CLASS B
16 BOND PROCEEDS SHALL REMAIN IN EFFECT FOR THE ENTIRE LENGTH OF TIME THAT THE
17 CLASS B BONDS ARE OUTSTANDING.

18 J. A school district shall not authorize, issue or sell bonds pursuant
19 to this section if the school district has any existing indebtedness from
20 impact aid revenue bonds pursuant to chapter 16, article 8 of this title,
21 except for bonds issued to refund any bonds issued by the governing board.

22 K. BEFORE ASKING THE VOTERS OF A SCHOOL DISTRICT TO AUTHORIZE THE
23 FUNDING OF CAPITAL IMPROVEMENTS PURSUANT TO THIS SECTION, THE SCHOOL DISTRICT
24 GOVERNING BOARD SHALL DETERMINE WHETHER IT IS MORE COST EFFICIENT TO FUND
25 THOSE CAPITAL IMPROVEMENTS BY SUBMITTING A PROPOSED CLASS B BOND ISSUANCE TO
26 THE VOTERS PURSUANT TO THIS SECTION OR BY SUBMITTING A PROPOSED BUDGET
27 INCREASE TO THE VOTERS PURSUANT TO SECTION 15-481.

28 L. FOR THE PURPOSES OF THIS SECTION, "COMPUTER HARDWARE" MEANS AN
29 ELECTRONIC DEVICE WITH AN INTEGRATED CIRCUIT THAT PERFORMS LOGIC, ARITHMETIC
30 OR MEMORY FUNCTIONS BY THE MANIPULATIONS OF ELECTRONIC OR MAGNETIC IMPULSES
31 AND INCLUDES ALL INPUT, OUTPUT, PROCESSING, STORAGE, SOFTWARE OR
32 COMMUNICATION FACILITIES THAT ARE CONNECTED OR RELATED TO SUCH A DEVICE IN A
33 SYSTEM OR NETWORK.